

# Exhibit O

**In The Matter Of:**

***(C-"FHFA-ALL") FEDERAL HOUSING FINANCE AGENCY,  
ETC.***

---

***SHAYAN SALAHUDDIN - Vol. 2  
September 24, 2013***

---

**MERRILL CORPORATION**

**Legalink, Inc.**

225 Varick Street  
10th Floor  
New York, NY 10014  
Phone: 212.557.7400  
Fax: 212.692.9171

SHAYAN SALAHUDDIN - 9/24/2013

Page 372

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
FEDERAL HOUSING FINANCE AGENCY, etc.

Plaintiff,

vs. 11 Civ. 6188 (DLC)

JPMORGAN CHASE & CO., et al.,

Defendants.

-----X  
FEDERAL HOUSING FINANCE AGENCY, etc.

Plaintiff,

vs. 11 Civ. 5201 (DLC)

UBS AMERICAS, INC., et al.,

Defendants.

-----X  
FEDERAL HOUSING FINANCE AGENCY, etc.

Plaintiff,

vs. 11 Civ. 6188 (DLC)

JPMORGAN CHASE & CO., et al.,

Defendants.

-----X  
FEDERAL HOUSING FINANCE AGENCY, etc.

Plaintiff,

vs. 11 Civ. 6189 (DLC)

HSBC NORTH AMERICA HOLDINGS,  
INC., et al.,

Defendants.

-----X  
DATE: SEPTEMBER 24, 2013

WITNESS: SHAYAN SALAHUDDIN

SHAYAN SALAHUDDIN - 9/24/2013

Page 373

1

2

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.

3

Plaintiff,

4

vs. 11 Civ. 6190 (DLC)

5

BARCLAYS BANK PLC, et al.,

6

Defendants.

7

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.

8

Plaintiff,

9

vs. 11 Civ. 6192 (DLC)

10

DEUTSCHE BANK AG, et al.,

11

Defendants.

12

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.

13

Plaintiff,

14

vs. 11 Civ. 6193 (DLC)

15

FIRST HORIZON NATIONAL CORP., et al.,

16

Defendants.

17

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.

18

Plaintiff,

19

vs. 11 Civ. 6195 (DLC)

20

BANK OF AMERICA CORP., et al.,

21

Defendants.

22

-----x

23

24

25

1

2

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.

3

Plaintiff,

4

vs. 11 Civ. 6198 (DLC)

5

GOLDMAN, SACHS & CO., et al.,

6

Defendants.

7

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.

8

Plaintiff,

9

vs. 11 Civ. 6200 (DLC)

10

CREDIT SUISSE HOLDINGS (USA), INC.,  
et al.,

11

12

Defendants.

13

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.

14

Plaintiff,

15

vs. 11 Civ. 6201 (DLC)

16

NOMURA HOLDING AMERICA, INC., et al.,

17

Defendants.

18

-----x

19

20

21

22

23

24

25

26

SHAYAN SALAHUDDIN - 9/24/2013

Page 375

1

2

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.,

3

Plaintiff,

4

vs. 11 Civ. 6202 (DLC)

5

MERRILL LYNCH & CO., INC., et al.,

6

Defendants.

7

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.

8

Plaintiff,

9

vs. 11 Civ. 6203 (DLC)

10

SG AMERICAS, INC., et al.,

11

Defendants.

12

-----x  
FEDERAL HOUSING FINANCE AGENCY, etc.

13

Plaintiff,

14

vs. 11 Civ. 6739 (DLC)

15

HSBC NORTH AMERICA HOLDINGS,  
INC.; MORGAN STANLEY, et al.,

16

Defendants.

17

-----x

18

19

20

21

22

23

24

25

SHAYAN SALAHUDDIN - 9/24/2013

Page 376

1

2

IN THE UNITED STATES DISTRICT COURT

3

DISTRICT OF CONNECTICUT

-----x

4

FEDERAL HOUSING FINANCE AGENCY, etc.

5

Plaintiff,

6

vs.

Case No.

3:11-cv-01383-AWT

7

THE ROYAL BANK OF SCOTLAND GROUP

8

PLC, et al.,

9

Defendants.

-----x

10

11

VOLUME 2

12

September 24, 2013

13

8:01 a.m.

14

15

Continued videotaped deposition of  
SHAYAN SALAHUDDIN, at the Marriott Metro  
Center, 775 12th Street, Northwest,  
Washington, D.C., before Gail F. Schorr,  
a Certified Shorthand Reporter, Certified  
Realtime Reporter and Notary Public  
within and for the State of New York.

19

20

21

22

23

24

25

1 SHAYAN SALAHUDDIN

2 time started receiving, Fannie Mae  
3 started receiving the transmission of the  
4 deal tapes directly to the bulk data  
5 submissions email address, correct?

6 MR. COREY: Objection, form.

7 A. Again, I recall sending out  
8 several such emails. So I don't know if  
9 this is when this process started, or  
10 whether this email is just reinforcing  
11 this process.

12 Q. All right. Could you look at  
13 step 3. Step 3 in the new process was  
14 that the data analyst will process the  
15 tape and provide the results directly to  
16 the Fannie Mae trading desk. Do you see  
17 that?

18 A. I do see that.

19 Q. And the Fannie Mae trading  
20 desk is you and Mr. Norris and Ms. Dyson?

21 A. That's correct.

22 Q. And you on the Fannie Mae  
23 trading desk would then select a loan  
24 population and send it back to the  
25 dealer, correct?



SHAYAN SALAHUDDIN - 9/24/2013

Page 442

1 SHAYAN SALAHUDDIN

2 MR. COREY: Objection, form.

3 A. We would -- I don't think that  
4 would be the next step, but at some point  
5 after all of our analysis was complete,  
6 economic credit and all the traditional  
7 analysis that we would do, that's the  
8 point at which we would come about a  
9 population to send to the dealer, send  
10 back to the dealer.

11 Q. Well one of the things that  
12 you did in selecting a population was to  
13 select loans that were goal accretive,  
14 right, and cut loans from the pool that  
15 were not goal accretive?

16 MR. COREY: Same objection.

17 A. I think it was more cutting  
18 goals from the pool that were not goal  
19 accretive and then the selection of loans  
20 was based more on economics.

21 Now that I'm thinking about it  
22 again, I remember that the housing goals  
23 were a -- were scored in percentages. So  
24 if a deal was -- you know, you could get  
25 there one of two ways. You could either

SHAYAN SALAHUDDIN - 9/24/2013

Page 443

1 SHAYAN SALAHUDDIN

2 increase the numerator or decrease the  
3 denominator, so normally what would  
4 happen would be that we would select a  
5 pool that was acceptable and cut out  
6 loans that were not housing goals  
7 accretive so that the denominator would  
8 shrink and the score would be good.

9 Q. You would keep the loans that  
10 were goal accretive in the pool, cutting  
11 the loans that were not goal accretive?

12 A. We would cut the loans that  
13 were not goal accretive and we would  
14 select loans that met our other stip.

15 Q. So you would cut out of the  
16 denominator loans that were not goal  
17 accretive, once you had the goal  
18 accretive loans that conformed your other  
19 stip, they would form the numerator and  
20 the denominator would be all the loans in  
21 the pool, right?

22 MR. COREY: Objection, form.

23 A. As it relates to housing goals  
24 I think that is how the calculation was  
25 done. As it relates to the selection of

1

SHAYAN SALAHUDDIN

2

the pool, the selection of the pool was

3

based on analysis that went -- that

4

wasn't based on housing goals. That, as

5

I said, that process of reducing the

6

denominator, I remember that process to

7

be sort of towards the end, so we would

8

do all of our traditional analysis, make

9

sure the deal made sense to us from an

10

economic perspective, and then from that

11

point seek to improve its goals value by

12

reducing the denominator.

13

Q. And reducing the denominator

14

meant taking loans out of the pool that

15

didn't fall into the affordable,

16

underserved or special affordable

17

categories, correct?

18

MR. COREY: Same objection.

19

A. That's correct.

20

MR. BREBNER: We have to

21

change the tape, so let's go off

22

the record.

23

THE VIDEOGRAPHER: This

24

concludes disk number 6 of the

25

videotaped deposition of Shayan

SHAYAN SALAHUDDIN - 9/24/2013

Page 445

1 SHAYAN SALAHUDDIN

2 Salahuddin, the time is  
3 approximately 9:22:57 a.m., we are  
4 now off the record.

5 (A recess was taken.)

6 THE VIDEOGRAPHER: This begins  
7 disk number 7 of the video  
8 deposition of Shayan Salahuddin,  
9 the time is 9:36:08 a.m., we are  
10 now on the record.

11 Q. Do you still have your  
12 February 22nd, 2007 email in front of  
13 you?

14 A. I do.

15 Q. Do you see that the attachment  
16 beginning on the third page of this is a  
17 listing of required data fields? I'm  
18 looking specifically at the third and  
19 fourth page that starts with the heading  
20 "Required data fields" right under the  
21 blue sheet.

22 A. I see that.

23 Q. And these are the data fields  
24 that Fannie Mae expected the dealers to  
25 submit to the bulk data submissions email